

TERMS OF SALE HCFC-22

PLEASE NOTE:

All persons participating in this sale are responsible to read, understand, and comply with the terms of sale as specified herein and agree to be bound thereby.

REGISTRATION:

Persons wishing to participate in the bidding process of the sale are required to complete and sign either **Terms of Sale - Domestic Consumption** (*Attachment 1*) OR **Terms of Sale - Export** (*Attachment 2*), OR **Terms of Sale – Domestic Transformation** (*Attachment 3*) AND the **Bidder Registration Form** (*Attachment 4*), along with a cashier's check for the total bid amount. In order to comply with the

Electronic Freedom of Information Act Amendments of 1996 (5 U.S.C 552 (2000)), publication of bid results on the U.S. Department of the Treasury auction website will now include the following: lot number, lot description, purchase price, and successful bidder's name.

CONDITIONS & DESCRIPTIONS:

The conditions of the items being offered varies from "NEW" to "SALVAGE." The buyer understands and agrees; (1) that any description or sample of the property given or furnished by VSE Corporation is derived from records and documents, that may be unverified as to accuracy, is solely for identification, and DOES NOT CREATE ANY WARRANTY, expressed or implied, that the property actually conforms to such description or sample; (2) all weights, measurements, and descriptions must be considered approximations and do not create any warranty; (3) that the property is purchased and accepted by buyer "AS IS," "WHERE IS," and "WITH ALL FAULTS." VSE CORPORATION MAKES NO WARRANTIES OR GUARANTEES WHATSOEVER WHETHER WRITTEN, ORAL, OR IMPLIED AS TO QUALITY, QUANTITY, CONDITION, USABILITY, SALABILITY, WEIGHT, MEASUREMENT OR OTHER SPECIFICATIONS. All information derived from third party sources, including but not limited to appraisals, is deemed reliable but not guaranteed.

WRITTEN BID:

Written bids should be submitted by registered mail. Acceptable method of bids will be cashier's check only. **Make cashier's check payable to U.S. Treasury/VSE Corporation** for the full bid amount. Indicate description **"HCFC-22" and the total bid amount** on outside of a sealed envelope.

Mail all bids to: RICK LEVIN & ASSOCIATES INC., 1467 N. ELSTON, 2ND FLOOR, CHICAGO, IL 60642, ATTN: JOE STEINFELD.

Bids must be received no later than 5:00 p.m. EST on Wednesday, February 24, 2010. Unsuccessful bids will be returned within five (5) business days via FedEx. If numerous written bids are received, the highest written bid will be determined as the successful winning bid.

PAYMENT MUST BE MADE BY SUCCESSFUL REGISTERED BIDDER. MONIES RECEIVED FROM PARTIES OTHER THAN THE SUCCESSFUL REGISTERED BIDDER WILL BE DECLINED.

Seized HCFC-22 is permitted to be sold at auction under the following three conditions:

1. Sale for Domestic Consumption in the United States

Seized HCFC-22 may be sold to a person in the United States only if the person agrees to and signs *Terms of Sale for Purchasing HCFC-22 at Auction for Consumption in the United States* in **Attachment 1 (Terms of Sale - Domestic Consumption)** which states the following:

- A. The person holds at least the amount of unexpended HCFC-22 consumption allowances in the control period (calendar year) as HCFC-22 kg. being acquired (1 kg. of HCFC-22 = 1 unexpended HCFC-22 consumption allowance);
- B. The person will retire an amount of HCFC-22 consumption allowances for the control period that is equal to the number of kg. of HCFC-22 being acquired; and
- C. The person does not have any affiliation with the entity that imported the HCFC-22.

EPA's Stratospheric Protection Division (SPD) will be contacted to verify that the purchaser has an adequate balance of unexpended HCFC-22 consumption allowances. Before VSE Corporation can release the seized HCFC-22 to the purchaser for domestic consumption, VSE Corporation must receive a signed **Attachment 1 (Terms of Sale-Domestic Consumption)** and provide a copy to EPA.

2. Sale for Export

Seized HCFC-22 may be sold to a person in the United States for export only if the person agrees to and signs the *Terms of Sale for Purchasing HCFC-22 at Auction for Export out of the U.S. in Attachment 2 (Terms of Sale - Export)* in which states the following:

- A. The person will export the entire quantity of HCFC-22 acquired at auction out of the United States in accordance with 40 CFR 82.15(e) within 60 days of being notified of having the winning bid;
- B. Within 15 business days of the export, the person will provide documentation to EPA (e.g. Customs Form 7512) that the entire quantity of HCFC-22 acquired at auction was exported out of the United States;
- C. The person understands that only persons that hold unexpended HCFC-22 consumption allowances are permitted to import HCFC-22 for consumption in the United States per 40 CFR 82.15(b); and
- D. The person does not have any affiliation to the entity that illegally imported the HCFC-22.

EPA's Stratospheric Protection Division (SPD) will be contacted to verify the purchaser. Before VSE Corporation can release the seized HCFC-22 to the purchaser for export, VSE Corporation must receive a signed **Attachment 2 (Terms of Sale - Export)** and provide a copy to EPA.

3. Sale for Domestic Transformation in the United States

Seized HCFC-22 may be sold to a person in the United States for transformation only if the person agrees to and signs the *Terms of Sale for Purchasing HCFC-22 at Auction for Transformation in the U.S. Attachment 3 (Terms of Sale – Domestic Transformation)* which states the following:

- A. The person will “transform” the entire quantity of HCFC-22 acquired at auction in accordance with Title 40 Part 82, Subpart A, and all other applicable federal and state regulations;
- B. The person will, within 20 business days of receiving the HCFC-22 to transform, provide the following information in a dated letter to EPA:
 - Identity and address, including mailing and email address, of the person transforming the HCFC-22;
 - Acquisition date for the HCFC-22;
 - Amount of HCFC-22 (in kg) acquired; and
 - Period of time over which the HCFC-22 will be transformed.
- C. The person will, within 20 business days of the transformation of the entire quantity of HCFC-22, submit a dated letter to EPA stating that the HCFC-22 was transformed, as “transformation” is defined under EPA regulations at 40 CFR 82.3;
- D. The person does not have any affiliation with the entity that illegally imported the HCFC-22.

EPA's Stratospheric Protection Division (SPD) will be contacted to verify the purchaser. Before VSE Corporation releases the seized HCFC-22 to be transformed it, they must receive a signed **Attachment 3 (Terms of Sale – Domestic Transformation)** and provide a copy to EPA.

REFUNDS:

VSE Corporation makes no refunds, adjustments or returns. All purchases are final.

DEFAULT:

Failure to make required payments and/or comply with the time frames specified in the sales catalog/brochure for removal of property shall be deemed forfeiture of any rights, title, and interest buyer may have acquired and the property shall revert back to the Government without further notice to buyer and will result in any monies paid being forfeited and the transaction shall be null and void as to the buyer.

REMOVAL:

Property must be paid in full before removal. No partial release of any property. All property must be released to original buyer at one time. Buyer must present a photo I.D. at the time of property release. Should registered buyer wish to send an agent to pick up property, buyer must prepare and sign an authorization letter identifying the agent to act on his/her behalf. Removal of property must be completed within 7 business days of buyer's approval by EPA when purchased for domestic use or transformation, 60 days when purchased for export. Removal is at the expense, liability and risk of buyer. No extensions for property release.

RESERVE:

All property sold may be subject to an undisclosed minimum reserve bid. The U.S. Department of the Treasury through VSE Corporation reserves the right to accept or reject any and all bids.

DISPUTES AND REBIDS:

The decision of the U.S. Department of the Treasury is final in settling disputes. A bidder's retraction does not revive any previous bid. To make a dispute in writing send a formal letter within 30 days of the date of property removal to:

**Department of the Treasury Contract
ATTN: Sales & Marketing Department
2550 Huntington Avenue
Alexandria, VA 22303-1499**

ADDITION OR DELETION FROM SALE:

VSE Corporation reserves the right to withdraw from sale any of the items listed, to sell at this auction items not listed, and to group or subdivide lots. VSE Corporation reserves the right to sell all of the items listed in bulk, whenever the best interest of the Government will be served.

ADDITIONAL TERMS AND CONDITIONS:

The preceding contains only selected Terms and Conditions of Sale. Complete Terms and Conditions as provided in the section "SALE OF GOVERNMENT PROPERTY – GENERAL SALE TERMS AND CONDITIONS" will be available at the viewings in the back of the printed catalog, or may be requested by calling 888-534-2828 or by fax at 703-960-5789.

Attachment 1 (Terms of Sale-DOMESTIC CONSUMPTION)
Terms of Sale for Purchasing HCFC-22 at Auction for Consumption in the U.S.

I certify, under penalty of law, that the following statements are true and that I am authorized to make these statements on behalf of _____ [name of company]:

1. _____ [company name] is acquiring
_____ kg. of HCFC-22 on _____ (mm/dd/year) in the
_____ (year) control period;

2. _____ [company name] holds at least the amount of unexpended HCFC-22 consumption allowances in the control period (calendar year) as HCFC-22 kg. being acquired in this sale (1 kg. of HCFC-22 = 1 unexpended HCFC-22 consumption allowance);

3. _____ [company name] will retire
_____ kg. of HCFC-22 consumption allowances for the _____ control period, which is equal to the number of kg. of HCFC-22 being acquired. Within 30 business days of signing this **Terms of Sale**, I will provide EPA with a letter documenting that the allowances have been retired;

4. _____ [company name] does not have any affiliation with the entity that imported the HCFC-22.

Signature (*Complete contact information below*)

Date

Contact Information:

Name: First, Last _____

Mailing Address _____

Telephone Number _____

Email Address _____

Attachment 2 (Terms of Sale-EXPORT)
Terms of Sale for Purchasing HCFC-22 at Auction for Export out of the U.S.

I certify, under penalty of law, that the following statements are true and that I am authorized to make these statements on behalf of _____ [name of company]:

1. _____ [company name] is acquiring _____ kg. of HCFC-22 on _____ [mm/dd/year] in the _____ [year] control period;
2. _____ [company name] will export the entire quantity of HCFC-22 acquired at auction and identified in this **Terms of Sale** in accordance with 40 CFR 82.15(e) within 60 days of notification of winning bid;
3. Within 15 business days of the export, _____ [company name] will provide to EPA, documentation (e.g. Customs Form 7512) that the entire quantity of HCFC-22 acquired at auction and identified in this **Terms of Sale** was exported out of the United States, and the date of export;
4. I understand that only persons that hold unexpended HCFC-22 consumption allowances are permitted to import HCFC-22 for consumption in the United States per 40 CFR 82.15 (b); and
5. _____ [company name] does not have any affiliation to the entity that illegally imported the HCFC-22.

Signature (*Complete contact information below*)

Date

Contact Information:

Name: First, Last _____

Mailing Address _____

Telephone Number _____

Email Address _____

Attachment 3 (Terms of Sale – Domestic Transformation)
Terms of Sale for Purchasing HCFC-22 at Auction for Transformation in the U.S.

I certify, under penalty of law, that the following statements are true and that I am authorized to make these statements on behalf of _____ [name of company]:

1. _____ [company name] is acquiring _____ kg. of HCFC-22 on _____ (mm/dd/year) in the _____ (year) control period;
2. _____ [company name] will “transform” _____ kg. of HCFC-22 that I have acquired from Customs and Border Protection or its Contractor;
3. _____ [company name] will “transform” the HCFC-22 in accordance with Title 40 Part 82, Subpart A, and all other applicable federal and state regulations;
4. _____ [company name] will, within 20 business days of receiving the HCFC-22 to transform, provide the following information in a dated letter to EPA:
 - a. Identity and address, including mailing and email address, of the person transforming the HCFC-22;
 - b. Acquisition date for the HCFC-22;
 - c. Amount of HCFC-22 acquired in kg.; and
 - d. Period of time over which the HCFC-22 will be transformed.
6. _____ [company name] will, within 20 business days of the transformation of the entire quantity of HCFC-22, submit a dated letter to EPA stating that the HCFC-22 was transformed, as “transformation” is defined at 40 CFR 82.3;
7. _____ [company name] does not have any affiliation with the entity that imported the HCFC-22.

Signature (*Complete contact information below*)

Date

Contact Information:

Name: First, Last _____

Mailing Address _____

Telephone Number _____

Email Address _____

BIDS DUE BY: FEBRUARY 24, 2010

**Attachment 4 (BIDDER REGISTRATION AND BID SUBMISSION FORM)
HCFC-22 Written Bid Auction**

BUSINESS/FIRM

CONTACT NAME

BUSINESS ADDRESS (Street Address Only)

CITY

STATE

ZIP

PHONE NUMBER

EMAIL

CASHIER'S CHECK NUMBER

\$ _____
CASHIER'S CHECK/BID AMOUNT

HOW DID YOU FIND OUT ABOUT THIS SALE? (Please check all that apply.)

____ Email alert

____ Courtesy Phone Call

____ U.S Treasury Website (www.treas.gov/treasury/gp)

____ Rick Levin & Associates Website (www.ricklevin.com)

____ Other _____ (please specify)

***Enclosed is my completed and signed Terms of Sale (Attachments 1, 2 or 3) and cashier's check (made payable to VSE Corp./U.S. Treasury) for the full bid amount. (If I am not the winning high bidder, my cashier's check will be returned via FedEx within five (5) business days.) All bids are subject to VSE Corporation and EPA approval. Bank wire instructions will be provided to the successful bidder(s) upon the award of bid(s).**

*** Bids Due no later than 4 p.m. EST on Wednesday, February 24, 2010 with no exceptions.**

I certify that I am not (1) under the age of 18; (2) an employee or agent of VSE Corp., or their family members; (3) any employee of the U.S. Department of Treasury/Department of Homeland Security or their immediate family members prohibited from bidding on property/merchandise by policy, regulation, statute or contract; (4) a VSE Corp. subcontractor/vendor, their agents and employees who have access to information concerning the property to be sold at a U.S. Treasury/Homeland Security auction that is not generally available to the public; (5) presently debarred or declared ineligible for the award of contracts by any Federal agency in accordance with 41 CFR 101-45.6; (6) or the party or representing the parties from whom the property was seized. VSE Corp. subcontractors further may not act as agent for a third party in purchasing U. S. Treasury property/merchandise that is or has been in their custody or control. For breach of this warranty, VSE Corp. shall have the right to cancel any purchase contract without liability. Further, I agree that should I be named the successful bidder my registered name, the vessel description, and winning bid amount will be published on the U.S. Department of Treasury auction website. Electronic Freedom of Information Act Amendments of 1996 (5 U.S.C. 552 (2000)).

I agree to comply with the terms of sale posted at the U.S. Treasury website. I further agree upon purchasing any property it will be my responsibility to comply with any Local, State or Federal regulations or laws as applicable for the items purchased. This agreement is acknowledged by my signature below.

SIGNATURE

DATE